

Memorandum

To: Virginia Registered Campaign and Political Committees
From: Chris Piper, Manager, Campaign Finance Division
Date: June 27, 2007
Subject: Policy Statement: Designated Contributions/Bundled Contributions

In recent weeks, the State Board of Elections has received several questions concerning two issues: 1) Designated or Earmarked Contributions and 2) Bundled Contributions. At a publicly held meeting on June 26, 2007, the State Board approved the following statement which is an effort to clear up the confusion:

Designated or Earmarked Contributions

A designated or earmarked contribution is a contribution in which an individual provides a contribution to a political committee and requests that the contribution be forwarded to one or more specific campaign committees. This practice is legal in Virginia. Political party committees are required by law (see § 24.2-950.5 of the *Code of Virginia*) to identify designated contributions. They are required to report them on their campaign finance report on Schedule D, under the Item or Service column for any expenditure made in the form of a contribution to a candidate registered in Virginia.

No committees, other than party committees, are required to report their designated contributions.

Some candidates have reported receiving designated contributions from specific political action committees (PACs). These PACs provide a check to the campaign committee with a list of all persons which designated that their contribution to the political committee be forwarded to the campaign. The entity which collects these contributions keeps a portion of the contribution for themselves and then forwards the remaining amount to the contributor's designated campaign.

The campaign receives a single check from the organization along with a list of all of the contributors who requested that their funds be provided to the campaign. In these cases, the campaign **MUST** report the receipt of the check from the organization which provided the contribution and **NOT** the individual who requested that the contribution be designated to the campaign.

The organization collecting the funds must establish themselves as a political action committee under the provisions of § 24.2-949.2 of the *Code of Virginia*. Please see the *Summary of Laws and Policies for Political Action Committees* for more information on how to register a Political Action Committee.

Bundled Contributions

It is permissible in Virginia for a person to collect funds for a committee in the form of check, money orders, or credit card contributions made out to a campaign or political committee and for that person to forward those funds to the campaign or political committee.

It is not permissible for a person to collect cash, check, money orders, or credit card contributions to a campaign totaling more than \$200 and then forward the total of that money unless the person has properly registered as a political action committee under the provisions of § 24.2-949.2 of the *Code of Virginia*.